

GENERAL INFORMATION PAGE

**FILL IN THE INFORMATION HERE TO POPULATE THE GENERAL FIELDS
OF THE WORKSHEET**

CASE NAME **Furnas County Farms**

CASE NUMBER **04-81489**

PETITION DATE **5/3/2004**

End of Month 1 **5/28/2004**

CASE NUMBER: 04-81489

COMPARATIVE BALANCE SHEETS						
	PETITION DATE 5/3/2004	MONTH ENDING 5/28/2004	MONTH ENDING 6/25/2004	MONTH ENDING 7/30/2004	MONTH ENDING 8/27/2004	MONTH ENDING 9/24/2004
ASSETS						
CURRENT ASSETS						
Cash	1,342,365	2,583,410	0	0	0	0
Accounts Receivable, Net (Sched. A)	1,341,858	1,043,616	0	0	0	0
Inventory	38,270,157	38,305,793	0	0	0	0
Prepaid Expenses	1,546,716	1,796,099	0	0	0	0
Other	0	0	0	0	0	0
 Total Current Assets	 42,501,096	 43,728,918	 0	 0	 0	 0
 PROPERTY, PLANT & EQUIPMENT (Sched. B)	 73,278,377	 73,243,308	 0	 0	 0	 0
Less Accumulated Depreciation	19,107,135	19,339,884	0	0	0	0
Net Property	54,171,242	53,903,424	0	0	0	0
 OTHER ASSETS - Investments, N/R	 527,875	 523,811	 0	 0	 0	 0
 Total Other Assets	 527,875	 523,811	 0	 0	 0	 0
 TOTAL ASSETS	 97,200,213	 98,156,153	 0	 0	 0	 0

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOLLOWING OPERATING REPORTS, CONSISTING OF ____ PAGES ARE TRUE AND CORRECT.

Date submitted: June 22, 2004

Signed


Steve Weiss, Consultant to the Company

(Printed name of signatory)

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

MONTHLY OPERATING REPORTS COMPARATIVE BALANCE SHEETS						
	PETITION DATE 5/3/2004	MONTH ENDING 5/28/2004	MONTH ENDING 6/25/2004	MONTH ENDING 7/30/2004	MONTH ENDING 8/27/2004	MONTH ENDING 9/24/2004
LIABILITIES						
Post Petition Liabilities (Sched. C)	0	2,278,391	0	0	0	0
Pre Petition Liabilities						
Trade Payables:						
Farmers and Truckers	589,332	0				
April 19 thru May 2	1,416,920	1,416,920				
Pre-April 19	2,053,891	2,053,891				
Accrued Interest	21,086,166	21,086,166				
Secured Debt - Senior Banks	116,863,416	116,863,416				
Secured Debt - Purchase Money Debt	1,087,168	1,087,168				
Real Estate/Pers. Property Taxes	1,267,165	1,267,165				
Unsecured Debt	52,091,814	52,091,814				
Other	386,309	248,049				
Total Pre Petition Liabilities	196,842,181	196,114,589	0	0	0	0
Total Liabilities	196,842,181	198,392,979	0	0	0	0
OWNERS' EQUITY						
Owners' Equity	(45,156,539)	(45,156,539)	0	0	0	0
Impaired Assets Write-Down	(47,159,439)	(47,159,439)	0	0	0	0
Prior Period Adj. - Interest Rate Swap	(3,392,887)	(3,392,887)	0	0	0	0
Current Year Earnings (Loss):						
Through Filing Date	(3,933,103)	(3,933,103)	0	0	0	0
Post Filing Date	0	(594,858)	0	0	0	0
Total Owners' Equity	(99,641,968)	(100,236,826)	0	0	0	0
TOTAL LIABILITIES & OWNERS' EQUITY	97,200,213	98,156,153	0	0	0	0

CASE NAME: Fumas County Farms
CASE NUMBER: 04-81489

FORM OPR-2

STATEMENT OF INCOME (LOSS)

	4 MONTHS ENDING 5/3/2004	MONTH ENDING 5/28/2004	MONTH ENDING 6/25/2004	MONTH ENDING 7/30/2004	MONTH ENDING 8/27/2004	MONTH ENDING 9/24/2004	YEAR TO DATE 10/29/2004
REVENUE							
Feeder Pig Sales	996,771	293,399					1,290,170
Market Sales	24,230,472	6,455,063					30,685,535
Market Premiums	861,922	168,715					1,030,637
Cull Breed Stock Sales	1,226,515	362,314					1,588,829
Outside Sales	446,228	130,449					576,677
Other Income	150,489	(26,756)					123,733
TOTAL REVENUE	27,912,397	7,383,184	0	0	0	0	35,295,581
EXPENSES							
Feed / COGS	13,882,235	3,612,243					17,494,478
Payroll	3,315,432	986,270					4,301,702
Drugs & Vet	531,231	145,138					676,369
Utilities	1,089,297	91,044					1,180,341
Breeding Stock	1,690,568	105,712					1,796,280
Depreciation & Amortization	1,017,842	239,873					1,257,715
Interest	5,714,556	1,419,823					7,134,379
All Other	6,322,530	1,272,912					7,595,442
Inventory Adjustment	(1,718,191)	105,026					(1,613,165)
Total Expenses	31,845,500	7,978,041	0	0	0	0	39,823,541
NET INCOME (LOSS)	(3,933,103)	(594,857)	0	0	0	0	(4,527,960)

		STATEMENT OF SOURCE AND USE OF CASH				FORM OPR-3		
		PETITION DATE	MONTH ENDING 5/28/2004	MONTH ENDING 6/25/2004	MONTH ENDING 7/30/2004	MONTH ENDING 8/27/2004	MONTH ENDING 9/24/2004	YEAR TO DATE 10/29/2004
CASH DIFFERENCE								
Current Ending Cash Balance		1,342,365	2,583,410	0	0	0	0	3,925,775
Less Ending Prior Month Balance			1,342,365	0	0	0	0	1,342,365
NET CASH INCREASE(DECCREASE)			1,241,045	0	0	0	0	1,241,045
SOURCES OF CASH								
Income (Loss) From Operations			(594,857)	0	0	0	0	(594,857)
Add: Non-cash items (Depr. & Amort.)			239,873	0	0	0	0	0
Cash Generated From Operations			(354,984)	0	0	0	0	(354,984)
Add: Decrease in Assets								
Accounts Receivable			298,242	0	0	0	0	298,242
Inventory			0	0	0	0	0	0
Prepaid Expenses			0	0	0	0	0	0
Property, Plant & Equipment			27,945	0	0	0	0	27,945
Other Current Assets			0	0	0	0	0	0
Other Assets			4,064	0	0	0	0	4,064
Increase in Liabilities:								
Post Petition Liabilities			2,278,391	0	0	0	0	2,278,391
Pre Petition Liabilities			0	0	0	0	0	0
TOTAL SOURCES OF CASH			2,253,658	0	0	0	0	2,253,658
USE OF CASH								
Subtract: Increase in Assets								
Accounts Receivable			0	0	0	0	0	0
Inventory			35,636	0	0	0	0	35,636
Prepaid Expenses			249,383	0	0	0	0	249,383
Property, Plant & Equipment			0	0	0	0	0	0
Other Current Assets			0	0	0	0	0	0
Other Assets			0	0	0	0	0	0
Decrease in Liabilities:								
Post Petition Liabilities			0	0	0	0	0	0
Pre Petition Liabilities			727,592	0	0	0	0	727,592
TOTAL USE OF CASH			1,012,611	0	0	0	0	1,012,611
NET CASH INCREASE (DECREASE)			1,241,047	0	0	0	0	1,241,047
Rounding			(2)	0	0	0	0	(2)

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

SCHEDULE OF FIXED ASSETS

SCHEDULE B

	PETITION DATE	MONTH	MONTH	MONTH	MONTH
	5/3/2004	5/28/2004	6/25/2004	7/30/2004	8/27/2004
FIXED ASSETS:					
Land	4,024,868	4,024,868			
Managers' Houses	2,184,337	2,184,337			
Buildings & Equipment	99,303,425	99,304,783			
Wells & Lagoons	8,623,212	8,623,212			
Other Equipment, Furn. & Fixtures	6,301,974	6,265,547			
Impaired Assets	(47,159,439)	(47,159,439)			
TOTAL FIXED ASSETS					
	73,278,377	73,243,308	0	0	0
					0

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

SCHEDULE OF POST PETITION DEBT

SCHEDULE C

	MONTH 5/28/2004	MONTH 6/25/2004	MONTH 7/30/2004	MONTH 8/27/2004	MONTH 9/24/2004	MONTH 10/29/2004
TRADE ACCOUNTS PAYABLE						
ACCRUED LIABILITIES:						
Accrued Payroll	115,266					
Accrued Payroll Taxes	27,731					
Accrued RE/PP Taxes	80,002					
TOTAL ACCRUED LIABILITIES	222,999	0	0	0	0	0
OTHER LIABILITIES:						
Accrued Interest	1,373,061					
Other : Corn, Ethanol, Sales Tax	2,461					
TOTAL OTHER LIABILITIES	1,375,522	0	0	0	0	0
TOTAL POST PETITION DEBT	2,278,391	0	0	0	0	0

CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

(revised 3-94)
Schedule D
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SUMMARY OF SIGNIFICANT ITEMS

For month ended May 28, 2004

1. Insurance Coverage

	Carrier/ agent Name	Amount of Coverage	Policy Expiration Date	Premium Paid thru Date
Workers' Compensation				
General Liability				
Excess Liability				
Fire & Extended Coverage			See Schedule D (a)	
Vehicle Liability				
Vehicle Collision				
Theft				
Other(specify)				

2. Statement of Payments of Secured Creditors

(list all payments made to secured creditors during the month & the purpose
for such payment, i.e. Court ordered adequate protection cash collateral payments)

Payee	Description	Amount Paid this Month	Total Paid Post petition
NONE			

3. Tax Payments Made This Month (Not Accruals) (attach copies of tax receipts or checks)

	Date Paid	Amount Paid	Post Petition Taxes Still Unpaid(agrees to Sch. C)
Federal Payroll W/H Taxes	5/5/04	\$133,345	\$0
Federal Payroll W/H Taxes	5/19/04	\$112,632	\$0
Fed. Unemployment Taxes		\$0	\$18,646
State Payroll W/H Taxes	5/14/04	\$26,492	\$966
State Unemployment Taxes		\$0	\$8,119
State Sales & Use Taxes		\$0	
Property Taxes		\$0	
Other		\$0	
TOTALS		\$272,469	\$27,731



CASE NAME: Furnas County Farms
CASE NUMBER: 04-81489

revised 10-96
Schedule D
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SUMMARY OF SIGNIFICANT ITEMS

Month ended May 28, 2004

4. Compensation Payments Made This Month (Not Accruals)

(List all payments made to owners of proprietorships; partners of partnerships; officers, directors and shareholders of corporations)

Name	Amount	Date of Court Order Authorizing Payment
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NONE

5. Payments Made This Month To Professionals (Not Accruals)

Professional	Amount	Date of Court Order Authorizing Payment
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NONE

6. Record of Disbursement and Payment of Quarterly Fees

Period Ending	*Total Disbursements	Quarterly Totals	Quarterly Fee **	Date Paid	Amount Paid	Check Number
January	\$					
February	\$					
March	\$	\$	\$		\$	
April	\$					
May	\$6,621,883					
June	\$	\$	\$		\$	
July	\$					
August	\$					
September	\$	\$	\$		\$	
October	\$					
November	\$					
December	\$	\$	\$		\$	

* Each month list the total money spent for all purposes. At the end of the quarter, add the monthly totals. This is the amount used to compute the quarterly fee due the U.S. Trustee, from the table below.

**Effective 10-01-96 [\$-0- to \$14,999.99 = \$250.00].....[\$15,000 to \$74,999.99 = \$500.00].....[\$75,000 to \$149,999.99 = \$750.00].....[\$150,000 to \$224,999.99 = \$1,250.00].....[\$225,000 to \$299,999.99 = \$1,500.00].....[\$300,000 to \$999,999.99 = \$3,750.00].....[\$1,000,000 to \$1,999,999.99 = \$5,000.00].....[\$2,000,000 to \$2,999,999.99 = \$7,500.00].....\$3,000,000 to \$4,999,999.99 = \$8,000.00].....[\$5,000,000 or more = \$10,000.00]

FCF Et Al
Case # 04-81489
Insurance Summary - Supplement to Schedule D
Limits of Coverage
May 28, 2004

										Total Coverage
										7-11 Feed Mill
										Furnas County Trucking
	Expiration Date	Premiums Paid thru			Expiration Date	Premiums Paid thru				Expiration Premiums Date Paid thru
			Limits				Limits			Limits
General Liability:										
Aggregate Limit	1/1/05	6/30/04	(Great American)	4/15/05	10/15/04	(Continental Western)	\$2,000,000	1/1/05	6/30/04	(Great American)
Products & Completed Operations Aggregate			\$2,000,000				2,000,000		\$2,000,000	\$6,000,000
Each Occurrence			1,000,000				1,000,000		1,000,000	6,000,000
Personal & Advertising			1,000,000				1,000,000		1,000,000	3,000,000
Fire Damage			100,000				100,000		100,000	3,000,000
Medical Expense			10,000				10,000		10,000	100,000
Chemical Drift			25,000				25,000		25,000	25,000
Transportations of Chemicals			25,000				25,000		25,000	25,000
Damage to Property of Others/Rented Property			500							100,000
Commercial Umbrella:										
Each Occurrence	1/1/05	6/30/04	(Great American)	4/15/05	10/15/04	(Continental Western)	5,000,000	4/15/05	6/30/04	(Great American)
General Aggregate			25,000,000				5,000,000		5,000,000	40,000,000
Products-Completed Operations Aggregate			25,000,000				5,000,000		5,000,000	40,000,000
Bodily Injury by Disease Limit			25,000,000				5,000,000		5,000,000	40,000,000
Inland Marine										
				4/15/05	10/15/04	(Continental Western)	220,000			
Auto:										
Liability	1/1/05	6/30/04	(Great American)	4/15/05	10/15/04	(Continental Western)	500,000	4/15/05	6/30/04	(Great American)
Medical			1,000,000						1,000,000	3,500,000
Uninsured Motorists									5,000	10,000
Comprehensive & Collision, etc.									1,000,000	2,000,000
Crime:										
Employee Theft				4/15/05	10/15/04	(Continental Western)	25,000			
Property:										
Buildings, Equipment, Livestock	1/1/05	6/30/04	(Great American)	4/15/05	10/15/04	(Continental Western)	2,087,300	4/15/05	6/30/04	(Great American)
Other			129,753,890						254,850	2,685,326
Workers Comp:										
Each Accident	4/15/05	7/15/04	(Star Insurance (SD & IA) & Williamsburg Ins. (NE))	4/15/05	10/10/4	(Tri-State Ins.)	100,000	4/15/05	6/30/04	(Travelers)
Disease - Policy Limit			500,000				500,000		500,000	1,600,000
Disease - Each Employee			500,000				500,000		500,000	2,000,000
Pivots				6/28/04	6/28/04	(Ins. Corp of Hannover)	545,500			
										545,500
										\$284,732,566